

December 21, 2009

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20511

Re: Proposed Changes to Closed-End Mortgage Rules (Docket No. R-1366)

Dear Sir or Madam:

Thank you for the opportunity to comment on the proposed rule amending Regulation Z with respect to closed-end mortgages. I am a loan originator working in Dallas, Texas. Having witnessed first-hand the subprime mortgage meltdown, I agree that additional consumer protections in the residential mortgage loan process are needed. However, I have some concerns with the proposals regarding loan originator compensation.

I have a BBA from the University of Texas at Arlington. I am an honest & ethical person whose desire is to make sure my clients receive top of the line customer service and are well taken care of during the home loan process. When I graduated college I pursued a career as a mortgage banker as I knew the harder I worked the more I could make. If my compensation as a mortgage banker was to be severely limited, I would be forced to pursue a new career in a different industry, leaving a void within the mortgage industry of highly trained professionals.

My employer is a small to mid-sized lending institution. Our customers often present unique or complex circumstances that make processing their loan applications time consuming and difficult. I spend a great deal of time on these applications to ensure that they get the extra attention they need and to make sure that the application process goes smoothly for our customers. This level of attention is often not available at large national lending institutions that take a more "one size fits all" approach and focus solely on volume and production while not paying any attention to customer service.

In order to compensate me for the extra work that I put in on these loans, my employer sometimes needs to charge the customer a higher fee or a higher rate. Often the borrower will prefer to pay a higher rate, either because they do not have additional funds to bring to closing or they are already at the maximum loan to value limit. Due to the high level of customer service, my clients don't blink at a higher rate or an additional fee if needed.

If the proposed rule prevents my employer from paying adequate compensation for these loans, loan officers will be less inclined to take on the more complex loan applications and customer service will go out the window. Instead, they will focus primarily on the straight-forward, conventional loan applications that are less time consuming. The unfortunate consequence of this change in focus will be to make it even harder for many

deserving consumers to obtain a mortgage loan, particularly those in underserved communities.

If the Board adopts the proposed restrictions on loan originator compensation, the limits should apply only to the riskier products that were at the heart of the subprime meltdown. Because conventional prime loans do not create the same potential for abuse, the Board should exclude these loans from the restrictions on loan originator compensation and allow for pricing discretion in these loans.

Also, the new SAFE Act requirements for loan originators, including extensive background checks and rigorous testing and continuing education requirements will significantly curb the past abuses that precipitated this proposal. The Board should wait to allow the SAFE Act a chance to work before piling on additional and burdensome regulation on loan originators.

Once again, thank you for the opportunity to comment on the proposed rule.

Respectfully submitted,



MaryAnn Comparin
Intrust Mortgage, Inc.